

Message Text

LIMITED OFFICIAL USE

PAGE 01 COPENH 01043 121613Z

15

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 CIAE-00 NSAE-00 NSCE-00 SSO-00

USIE-00 INRE-00 AID-05 CEA-01 COME-00 FRB-03 INR-07

CIEP-01 SP-02 STR-04 TRSE-00 LAB-04 SIL-01 SAM-01

OMB-01 AGR-05 TAR-01 L-02 H-02 NSC-05 SS-15 /080 W

----- 117806

O 121530Z APR 75

FM AMEMBASSY COPENHAGEN

TO SECSTATE WASHDC NIACT IMMEDIATE 730

INFO USMISSION EC BRUSSELS NIACT IMMEDIATE

AMEMBASSY BONN IMMEDIATE

AMEMBASSY PARIS IMMEDIATE

AMEMBASSY BRUSSELS

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY ROME

AMEMBASSY MOSCOW

LIMITED OFFICIAL USE COPENHAGEN 1043

PASS AGRICULTURE

E.O. 11652: N/A

TAGS: ETRD, EEC, DA

SUBJECT: EC CHEESE COUNTERVAILING PROBLEM

REF: A. STATE 84066 B. STATE 77388 C. EC BRUSSELS 2800

1. SUMMARY. AGATTACHE DISCUSSED SUBSTANCE OF REFTELS WITH
KRISTENSEN OF AGMIN WHO EMPHATICALLY CONFIRMED THAT DENMARK WANTS
TO ACCEPT US APRIL 5 OFFER, THAT IT HAS PREVIOUSLY TAKEN THIS
POSITION IN BRUSSELS, AND THAT IT WILL DO SO AGAIN AT APRIL 14-15
COUNCIL MEETING. HE IS VERY MUCH CONCERNED HOWEVER THAT, EVEN
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 COPENH 01043 121613Z

THOUGH DENMARK HAS BY FAR THE LARGEST EC INTEREST IN RESOLVING

ISSUE, DENMARK'S POSITION WILL NOT PREVAIL AT THE COUNCIL MEETING. HE SAID THE MAJOR BARRIERS TO ACCEPTANCE OF THE US APRIL 5 OFFER ARE PARIS, BONN AND THE EC COMMISSION ITSELF. END SUMMARY.

2. REFTELS WERE RECEIVED AT NOON, SATURDAY, APRIL 12 AFTER DEPARTURE OF AMBASSADOR FROM CITY FOR WEEKEND. FONECONMIN NORGAAARD AND FONOFF UNDER SECRETARY JENS KRISTENSEN ARE IN DUBLIN FOR EC-9 WEEKEND MEETING AND ALL REMAINING SUBSTANTIVE OFFICERS IN FONOFF CONCERNED WITH ISSUE WERE UNREACHABLE. AGATTACHE, HOWEVER, MANAGED TO CONTACT AGMIN DEPTY UNDER SECRETARY OF STATE HANS JORGEN KRISTENSEN DURING AFTERNOON OF APRIL 12. KRISTENSEN IS KEY GOVERNMENT COORDINATOR OF DANISH POLICY ON CHEESE.

3. KRISTENSEN NOTED THAT WHILE DENMARK IS OF COURSE VERY UNHAPPY WITH THE WHOLE US COUNTERVAILING EFFORT, THE DANISH GOVERNMENT AND DAIRY INDUSTRY RECOGNIZE REALITIES AND ARE MOST ANXIOUS TO HAVE THE ISSUE RESOLVED ON THE BASIS OF THE US OFFER; THIS WOULD PERMIT CONTINUED RESTITUTION ON MAJOR DANISH TABLE CHEESES. HE SAID THAT DENMARK ALSO SEES SUBSIDIZATIONS OF EMMENTHALER AND GRUYERE FOR TABLE USE AS A VERY MINOR PART OF THE OVERALL ISSUE AND IS FEARFUL THAT FRENCH, GERMAN AND COMMISSION INTRANSIGENCE MAY PROVE DISASTROUS FOR THE MAJOR DANISH CHEESE INTERESTS AND FOR US/EC RELATIONS GENERALLY.

4. AT THE SAME TIME, KRISTENSEN IS VERY MUCH CONCERNED THAT THE US WILL PUSH THE ISSUE OVER THE PRECIPICE AND CAUSE IRREVERSIBLE DAMAGE TO DANISH TRADE INTEREST; DENMARK IS CERTAINLY THE COUNTRY WITH THE MOST TO LOSE IN A CONFRONTATION ON THE COUNTERVAILING DUTY ISSUES. HE SAID HE IS SURE THE US REALIZES THAT THERE IS A POINT BEYOND WHICH AN ISSUE SUCH AS THIS SHOULD NOT BE PUSHED AND HE BELIEVES THAT IT WOULD BE UNWISE FOR THE US TO PUSH THIS ONE FURTHER. ALREADY WORDS SUCH AS "BLACKMAIL" HAVE STARTED TO CIRCULATE AND THERE IS DEEP CONCERN THAT THE EC AND/OR THE US WOULD OVERPLAY THEIR HANDS. IF THIS HAPPENS, IT WOULD BE MOST UNFORTUNATE FOR US/EC RELATIONS AND ESPECIALLY FOR DENMARK.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 COPENH 01043 121613Z

5. EMBASSY COMMENT. WE ARE HEARTENED BY THE SUPPORT DENMARK GIVES TO THE US POSITION, IN ITS OWN SELF-INTEREST OF COURSE. ON THE OTHER HAND, DENMARK IS CAUGHT BETWEEN THE HAMMER AND THE ANVIL, RUNNING THE RISK OF SUFFERING MOST SHOULD MAJOR EC MEMBER STATES NOT ACCEPT THE US POSITION OR AN ACCEPTABLE COMPROMISE BE FOUND. WE ARE UNABLE TO JUDGE KRISTENSEN'S ASSERTION THAT THE GERMANS, FRENCH AND THE COMMISSION ARE THE PRINCIPLE INTRANSIGENTS, BUT WE ARE CONVINCED THAT THE DANES

ARE SOBERLY AWARE OF THE SERIOUSNESS OF THIS ISSUE AND WILL
DO WHAT THEY CAN TO BE HELPFUL. WE URGE THAT WASHINGTON GIVE
FULL CONSIDERATION TO THE DANISH DILEMMA IN REACTING TO A
POSSIBLE UNFAVORABLE OUTCOME OF THE APRIL 14-15 COUNCIL MEETING.
CROWE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CHEESE, POLICIES, COUNTERVAILING DUTIES, EXPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 12 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975COPENH01043
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750128-0542
From: COPENHAGEN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750456/aaaabzix.tel
Line Count: 120
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 84066, 75 STATE 77388, 75 EC BRUSSELS 2800
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 16 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 APR 2003 by BoyleJA>; APPROVED <21 MAY 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC CHEESE COUNTERVAILING PROBLEM
TAGS: ETRD, DA, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006